

City of Chicago
Department of Housing and Economic Development

STAFF REPORT
TO THE
COMMUNITY DEVELOPMENT COMMISSION
REQUESTING DEVELOPER DESIGNATION
April 10, 2012

I. PROJECT IDENTIFICATION AND OVERVIEW

Project Name:	Comer Youth Garden
Applicant Name:	Comer Science and Education Foundation (CSEF)
Project Address:	7230-7244, 7256-7270, 7280 and 7288-7296 S. South Chicago Avenue
Ward and Alderman:	5 (Hairston)
Community Area:	69 (Greater Grand Crossing)
Redevelopment Project Area:	73 rd & University TIF District
Requested Action:	Tax Increment Financing (TIF) Assistance
Proposed Project:	A 1.75 acre educational youth garden associated with the Gary Comer Youth Center and the Gary Comer College Prep High School.
TIF Assistance:	\$652,796

II. PROPERTY DESCRIPTION

Address:	7230-7244, 7256-7270, 7280 and 7288-7296 S. South Chicago Avenue
Location:	The site is located on the southwest side of South Chicago Avenue, between 73 rd Street and 71 st Street.
Tax Parcel Numbers:	20-26-109-036/-038/-039/-025/-026 and -027
Land Area:	1.75 acres

Current Use: Educational youth garden associated with the Gary Comer Youth Center and Gary Comer College Prep High School.

Current Zoning: Planned Development-921

III. BACKGROUND

Located in Chicago's Grand Crossing neighborhood, the CSEF transformed the rather unwelcome stretch of South Chicago Avenue, which is part of the 73rd & University TIF District, into a bustling community space with the construction of the Gary Comer Youth Center (GCYC) and the Gary Comer College Prep High School. The cost of these projects was approximately \$45 million. In addition to the youth center and college prep high school, the CSEF has committed to developing 90 affordable single family homes in the 73rd & University Redevelopment Project Area, which encompasses the TIF District. The CSEF entered into a redevelopment agreement with the City in 2006. Thus far, the CSEF has built and sold 54 of the 90 homes. The cost of this project has been approximately \$17 million. The CSEF has also acquired and donated land to the Public Commission of Chicago for the development of the Greater Grand Crossing Library and adjacent reading garden. The library was completed in the fall of 2011. CSEF created approximately 140 full time and 40 part time jobs in connection with the youth center, high school and single family affordable home projects. CSEF has invested a total of approximately \$62 million on these projects combined, which are located in the TIF District and 73rd & University Redevelopment Project Area.

GCYC currently offers innovative garden and culinary programs utilizing their 8,160 sq ft rooftop garden. Recently, the GCYC received grant assistance from the Illinois Department of Agriculture to expand the rooftop garden into a year round farm.

Moving from the rooftop to the ground expands on the mission of the youth center to help kids get through high school and help them prepare for college and their careers. It is about an opportunity to grow food locally, and sharing that experience and knowledge with the community.

The construction of the initial phase of the youth garden started in the summer of 2010 on a portion of the property held by the CSEF. Utilizing the assistance of high school students, a hoop house was constructed together with raised garden beds. The CSEF recently completed the second phase to expand the garden into the 1.75 acre youth garden area.

The youth garden's primary goal is to educate youth in planting, harvesting, and food production. All produce harvested on the site will be sold or used in the GCYC culinary arts programs.

IV. PROPOSED DEVELOPMENT TEAM

Development Entity: The Comer Science and Education Foundation is a 501(c) 3 not for profit private family foundation dedicated to support innovative community programs. The foundation

was created in 1998 by the late Gary Comer, the founder of the Lands' End clothing company.

The CSEF board is comprised of four officers (Guy Comer, Stephanie Comer, William Schleicher, and Vicki Kalnins).

V. PROPOSED PROJECT

Project Overview:

The Gary Comer Youth Center currently offers innovative gardening and culinary programs. In 2008 about 1,000 pounds of produce was grown by the combined efforts of the GCYC Garden Manager, 50 youth, 10 community senior citizens and volunteers from the community. The produce was incorporated into GCYC culinary programs and donated to community members and food pantries in local churches and social service agencies.

Current garden projects include incorporating fresh produce in GCYC culinary classes, a weekly Harvest Table, and Comer's Rooftop Crops. In 2009, GCYC received a grant from the Illinois Department of Agriculture Specialty Crop Block Grant Program to expand their rooftop garden, and two grants from the City of Chicago to incorporate a youth apprenticeship and teen internship program. The success of the rooftop garden establishes both organizational capacity and community desire for increased access to fresh produce.

The 1.75-acre site on South Chicago Avenue between 72nd street and Drexel Avenue will be the site of a community youth garden. In 2010, the City leased the property to CSEF to allow them to implement the initial phase of the garden. This initial phase introduced youth to the process of converting a vacant lot into a garden and source of local produce. During this initial phase, approximately ¼ of the entire site was utilized for growing perennials and edibles. In January of 2012, CSEF closed on the City-land, which the CSEF had been leasing from the City in connection with the project, and now owns all of the 1.75 acre site area.

The final buildout of the youth garden included expanding the growing areas, number of hoop houses, in addition to constructing a farmer's market area, bike parking, garden storage area, and a wind turbine to assist with garden irrigation. The site plan for the permanent garden was approved by the Chicago Plan Commission in March of 2011. Subsequently, the City Council approved an ordinance that amended Planned Development 921 to include the project site area.

A site plan is provided as an exhibit to this report.

VI. FINANCIAL ASSISTANCE

The City of Chicago, through its Department of Housing and Economic Development, intends to enter into a Tax Increment Financing Redevelopment Agreement with CSEF for the purpose of reimbursing CSEF for a portion of its TIF eligible development costs.

As part of the project, CSEF is creating a total of 88 jobs. There are two full time jobs and 86 part time jobs of which 82 will be for youth. The City intends to reimburse the Developer for a portion of its TIF-eligible costs in the amount of \$652,796. The City anticipates that TIF-eligible

expenses will be reimbursed from area-wide increment in the 73rd & University Redevelopment Project Area Tax Increment Allocation Fund in a single payment on or before June 30, 2012. As part of this project, the Developer previously received a write down of City owned land in the amount of \$260,000. The land write down, together with the TIF funds represents 42.2% of the total project cost (\$2,160,775). The high level of assistance is justified because of the public benefits provided by the garden, especially to the small community that makes up the TIF and that the project is really an extension of the high school and Youth Center project which were very expensive to construct. Further this project is in a developer-driven TIF, where part of the increment is coming from housing developed by the Comer Foundation.

The Sources and Uses appear below:

<u>Sources</u>	<u>Amount</u>
Developer equity	\$2,160,775
<u>Uses</u>	<u>Amount</u>
City Land (negotiated sale for \$1)	\$1
Land Acquisition (CSEF acquired)	<u>\$581,395</u>
Acquisition sub-total	\$581,396
<u>Hard Costs</u>	
Demolition	\$90,294
Site preparation	\$365,376
Construction	\$669,897
Landscaping	<u>\$50,000</u>
Hard cost sub-total	\$1,175,567
Equipment (.65% of total costs)	\$14,066
<u>Soft Costs</u>	
Architect	\$20,000
Project management (8.9% of total costs)	\$193,099
Legal/Accounting (3.7% of total costs)	\$80,015
Market studies (1.5% of total costs)	\$34,049
Real estate taxes (1.3% of total costs)	\$29,402
Insurance (.80% of total costs)	\$17,356
Permits (.46% of total costs)	\$10,000
Other soft costs (.26% of total costs)	<u>\$5,825</u>
Soft cost sub-total	<u>\$389,746</u>
Total project cost	\$2,160,775

VIII. PUBLIC BENEFITS

The project provides the following public benefits:

Environmental Features: The project has transformed vacant city lots into a youth garden, and has programming as part of the Gary Comer Youth Center and the Gary Comer College Prep High School. In connection with the project, CSEF caused the site area to be remediated and recently obtained a no further remediation letter from the Illinois Environmental Protection Agency.

Permanent and Part Time Jobs: The project has created a total of 88 jobs. There are two full time and 86 part time jobs of which 82 will be for youth.

Affirmative Action: The developer will turn in documentation to HED's Monitoring and Compliance Division indicating that they have complied with the requirements of Chicago's affirmative action ordinance, which requires contract participation of 24% by minority-owned business enterprises (MBEs) and 4% by woman-owned business enterprises (WBEs). The developer provided notification of the proposed project, by certified mail, to several associations of minority and women contractors.

City Residency: Like with Affirmative Action requirement, the developer will turn in documentation to HED's Monitoring and Compliance Division indicating that they have complied with the requirements of Chicago's city residency ordinance, which requires that at least half of all construction-worker hours be filled by Chicago residents.

IX. COMMUNITY SUPPORT

Alderman Hairston endorses the project and has provided a letter of support (see exhibits for copy).

X. CONFORMANCE WITH REDEVELOPMENT AREA PLAN

The proposed project is located in the 73rd & University TIF Redevelopment Project Area. The proposed project is consistent with the goals of the area's redevelopment plan to assemble city lots with private lots to create viable redevelopment opportunities, to revitalize the physical condition of the neighborhood, to improve the area surrounding the Comer Youth Center, and to encourage private investment within the area.

XI. CONDITIONS OF ASSISTANCE

If the proposed resolution is approved by the CDC, DHED will negotiate a redevelopment agreement with CSEF. The redevelopment agreement will incorporate the parameters of the proposed project as described in this staff report.

It is DHED policy that no business will be conducted with a development entity whose any principal has outstanding municipal debts (such as unpaid parking tickets, unpaid water bills, unpaid business licenses, and others), is in arrears of child support payments, or who is a debtor in bankruptcy, a defendant in a legal action for deficient performance, a respondent in an administrative action for deficient performance, or a defendant in any criminal action

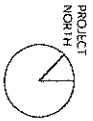
Closing on the redevelopment agreement will not occur before the City Council has approved the redevelopment agreement.

XI. RECOMMENDATION

The Department of Housing and Economic Development has thoroughly reviewed the project, the qualifications of the development team, the financial structure of the project, its need for public assistance, its public benefits, and the project's conformance with the redevelopment area plan, and DHED recommends that the CDC recommend to the City Council the designation of CSEF as Developer for the development of the project and approval of the requested TIF assistance in the amount of \$652,796.

EXHIBITS

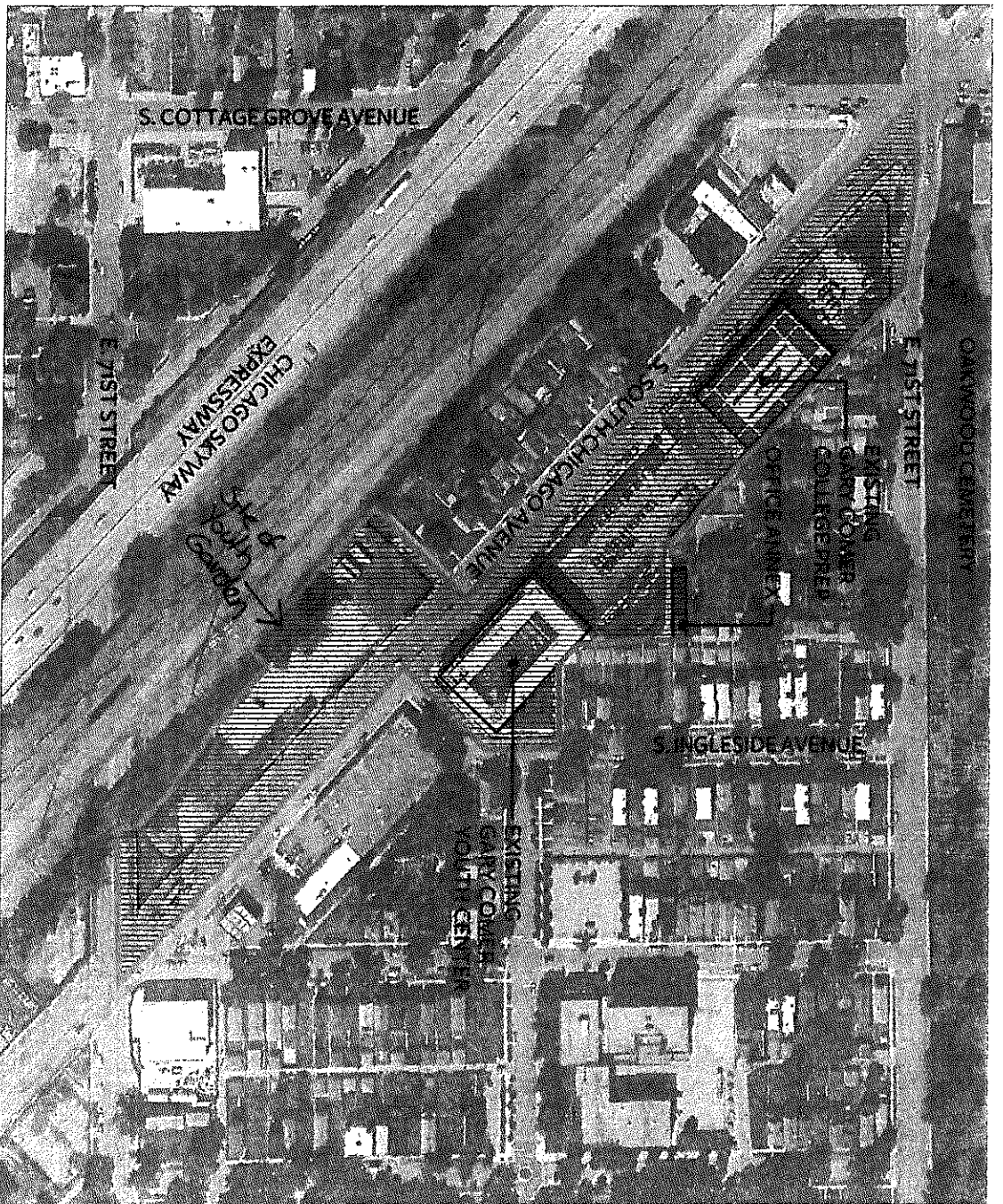
Redevelopment Area Map
Neighborhood Map or Aerial
Site Plan
Landscape Plan
Alderman's Letter of Support



EXISTING LAND USE MAP



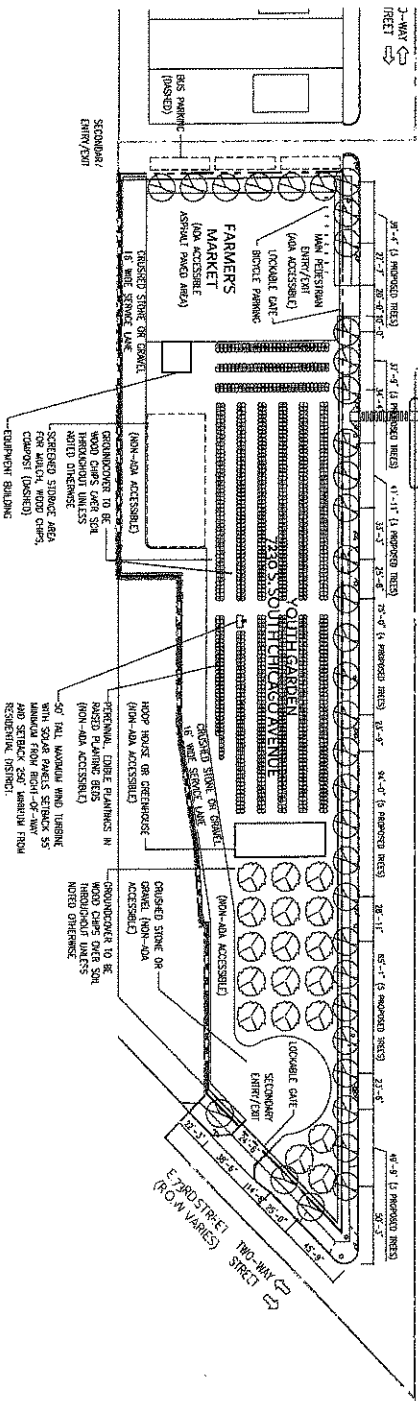
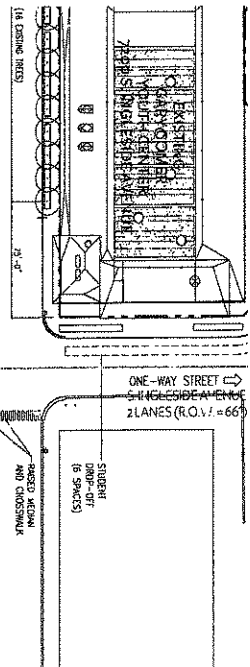
PLANNED DEVELOPMENT
BOUNDARY



APPLICANT:
Comer Science and Education Foundation
7131 S. South Chicago Avenue,
7137-7139 South Drexel Avenue,
7230 S. South Chicago Avenue &
7200 South Ingleside Avenue

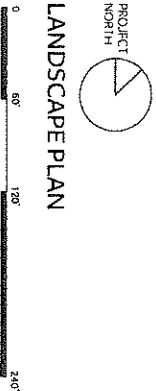
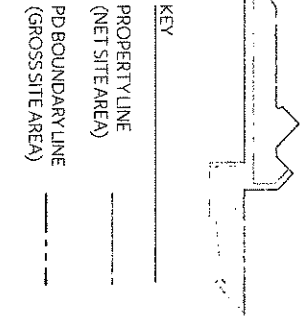
INSTITUTIONAL PLANNED DEVELOPMENT #921 AS AMENDED
GARY COMER YOUTH CENTER AND GARY COMER COLLEGE PREP
DATE: MARCH 17, 2011

FORNN
John Ronan Architects
320 West Ohio Street, 4e
Chicago Illinois 60610
T 312 951 6600 F 312 951 6544
w jra@fornn.com



- LANDSCAPE KEY**
- proposed tree
 - mature tree over 30', installation size 2 1/2" caliper or larger
 - proposed tree in grade or protected by (2) bollards planted in 30" of structural soil
 - fruit tree (apple, crabapple, cherry or plum)
 - existing tree to remain
 - proposed planting border, including groundcover, native/adapted perennial planting and shrubs
 - green roof

NOTE:
 Proposed trees in parkway require installation in 3' of constructed soil per Chicago Landscape Ordinance

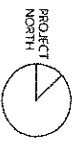
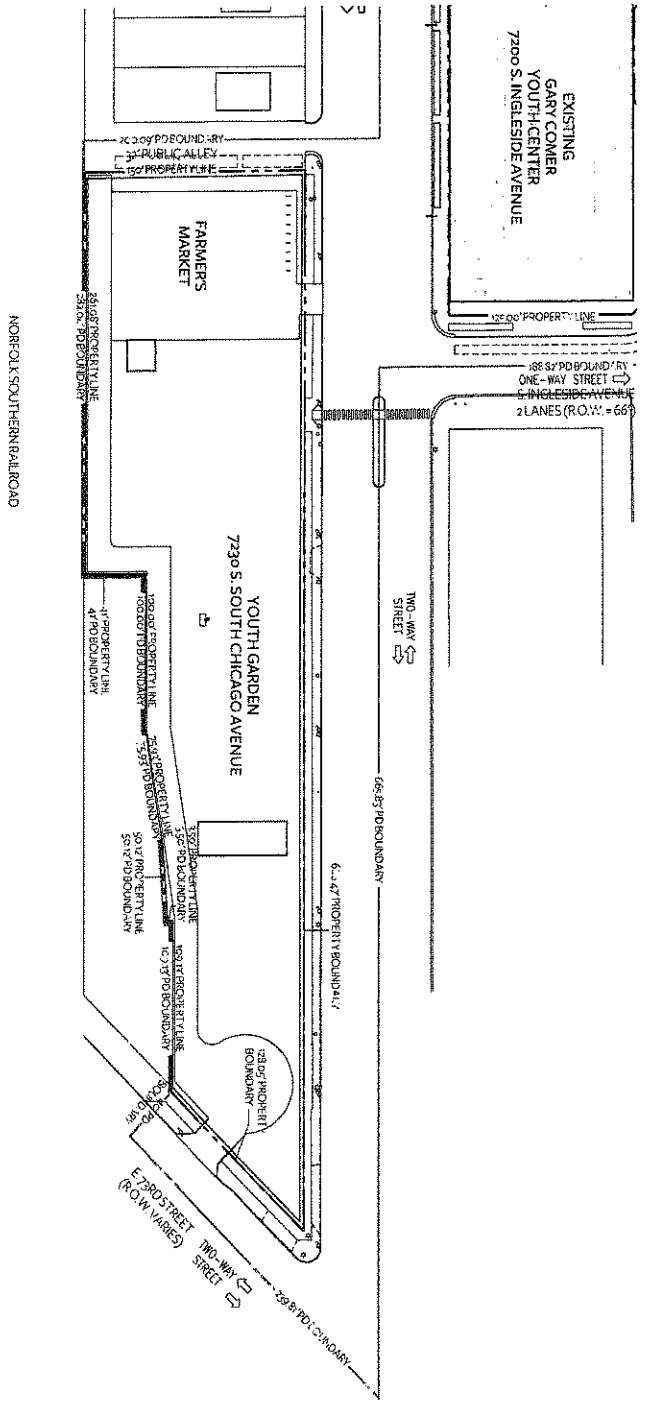


APPLICANT:
 Corner Science and Education Foundation
 7131 S. South Chicago Avenue,
 7137-7139 South Drexel Avenue,
 7300 S. South Chicago Avenue &
 7200 South Ingleside Avenue

INSTITUTIONAL PLANNED DEVELOPMENT #921 AS AMENDED
GARY COMER YOUTH CENTER AND GARY COMER COLLEGE PREP

DATE: MARCH 17, 2011

ronnn
 John Roman Architects
 320 West Ohio Street, 4e
 Chicago Illinois 60651
 T 312 951 5600 F 312 951 6544
 w/ jrandt.com

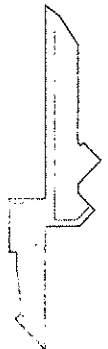


PROJECT NORTH

0 60' 120' 240'

PLANNED DEVELOPMENT BOUNDARY LINE AND RIGHT OF WAY ADJUSTMENT MAP

- KEY**
- PROPERTY LINE (NET SITE AREA)
 - PD BOUNDARY LINE (GROSS SITE AREA)



APPLICANT:
 Corner Science and Education Foundation
 7191 S. South Chicago Avenue,
 7197-7199 South Drexel Avenue,
 7230 S. South Chicago Avenue &
 7200 South Ingleside Avenue

INSTITUTIONAL PLANNED DEVELOPMENT #921 AS AMENDED
GARY COMER YOUTH CENTER AND GARY COMER COLLEGE PREP
 DATE: MARCH 17, 2011

FORNN
 John Roman Architects
 320 West Ohio Street 4e
 Chicago Illinois 60610
 T 312 951 6600 F 312 951 6544
 w jra@fornn.com



2325 EAST 71ST STREET
CHICAGO, ILLINOIS 60649
TELEPHONE: (773) 324-5555
FAX: (773) 324-1585

CITY COUNCIL
CITY OF CHICAGO
COUNCIL CHAMBER

THIRD FLOOR - CITY HALL
121 NORTH LA SALLE STREET
CHICAGO, ILLINOIS 60602
TELEPHONE: 312-744-6832

LESLIE A. HAIRSTON
ALDERMAN, FIFTH WARD

COMMITTEE MEMBERSHIPS

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COMMITTEES, RULES AND ETHICS
ENERGY, ENVIRONMENTAL PROTECTION
AND PUBLIC UTILITIES
FINANCE
HUMAN RELATIONS
PARKS AND RECREATION
SPECIAL EVENTS AND CULTURAL AFFAIRS

March 11, 2011

Mr. Andrew J. Mooney, Acting Commissioner
City of Chicago-Department of Housing and Economic Development
121 North LaSalle Street, 10th Floor
Chicago, IL 60602

Re: Comer Science & Education Foundation
TIF Application & Negotiated Sale Application

Dear Commissioner Mooney:

I am in full support of the Comer Science & Education Foundation's negotiated sale application for the purchase of City-owned land located at 7230-7244 & 7296 S. South Chicago Ave. as well as the TIF application. Both of the applications concern the Youth Garden project on the west side of South Chicago Avenue. The Comer Project has been an important addition to the 5th Ward and the Greater Grand Crossing Community. I request favorable consideration and approval of the Applicant's negotiated sale application and TIF application. If there are any questions regarding this, please feel free to contact me.

Sincerely,

Leslie Hairston
Alderman 5th Ward

CC: Lisa Washington, DHED
Greg Mooney, Comer Science & Education Foundation
Jake Fitch, Comer Science & Education Foundation
Terry Diamond, Neal & Leroy, LLC

**COMMUNITY DEVELOPMENT COMMISSION
OF THE
CITY OF CHICAGO**

RESOLUTION NO. ___-CDC-___

**AUTHORIZATION TO NEGOTIATE A TIF
REDEVELOPMENT AGREEMENT WITH THE COMER SCIENCE
AND EDUCATION FOUNDATION
AND
RECOMMENDATION TO
THE CITY COUNCIL OF THE CITY OF CHICAGO
FOR THE DESIGNATION OF THE COMER SCIENCE AND EDUCATION
FOUNDATION AS DEVELOPER**

WHEREAS, the Community Development Commission (the "Commission") of the City of Chicago (the "City") has heretofore been appointed by the Mayor of the City with the approval of its City Council (the City Council referred to herein collectively with the Mayor as the "Corporate Authority") as codified in Section 2-124 of the City's Municipal Code; and

WHEREAS, the Commission is empowered by the Corporate Authorities to exercise certain powers enumerated in Section 5/11-74.4-4(k) of the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.), (as amended from time to time, the "Act"); and

WHEREAS, the City Council, upon the Commission's recommendation pursuant to Resolution 06-CDC-50 and pursuant to the Act, enacted three ordinances on July 26, 2006, pursuant to which the City approved and adopted a certain redevelopment plan and project (the "Plan") for the 73rd & University Redevelopment Project Area (the "Area"), designated the Area as a redevelopment project area and adopted tax increment allocation financing for the Area. The street boundaries of the Area are described on Exhibit A hereto; and

WHEREAS, the Comer Science and Education Foundation (the "Developer"), has presented to the City's Department of Housing and Economic Development ("HED") a proposal for redevelopment of the Area or a portion thereof that is in compliance with the Plan, consisting of a 1.75 acre educational youth garden associated with the Gary Comer Youth Center and the Gary Comer College Prep High School at property located at 7230-7244, 7256-7270, 7280 and 7288-7296 S. South Chicago Avenue (the "Project"); and

WHEREAS, HED requests that the Commission recommend to City Council that the Developer be designated as the developer for the Project and that HED be authorized to negotiate, execute and deliver a redevelopment agreement with the Developer for the Project; now therefore,

BE IT RESOLVED BY THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF CHICAGO:

- Section 1. The above recitals are incorporated herein and made a part hereof.
- Section 2. The Commission hereby authorizes HED to publish the Notice.
- Section 3. The Commission hereby recommends to City Council that the Developer be designated as the developer for the Project and that HED be authorized to negotiate, execute and deliver on the City's behalf a redevelopment agreement with the Developer for the Project.
- Section 4. If any provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this resolution.
- Section 5. All resolutions, motions or orders in conflict with this resolution are hereby repealed to the extent of such conflict.
- Section 6. This resolution shall be effective as of the date of its adoption.
- Section 7. A certified copy of this resolution shall be transmitted to the City Council.

ADOPTED: _____, 2012

Attachments: Exhibit A, TIF Area Street Boundary Description

Exhibit B, Form of Notice

EXHIBIT A

Tax Increment Financing Redevelopment Project Area

The Area is generally bounded by Oakwood Cemetery on the north, the Illinois Central Railroad on the east, East 75th Street on the south, and the alley west of South Chicago Avenue on the west.

Public Notice

Public notice is hereby given that the City of Chicago, through its agents the Community Development Commission and the Department of Housing and Economic Development, intends to enter into a redevelopment agreement with the Comer Science and Education Foundation (the "Developer") for TIF assistance for the redevelopment of the property located at 7230-7244, 7256-7270, 7280 and 7288-7296 S. South Chicago Avenue having the Property Identification Number 20-26-109-036/-038/-039/-025/-026 and -027 (the "Property"). The Developer proposes to redevelop the Property into a youth garden.

The document entitled "73rd & University Tax Increment Financing Redevelopment Project and Plan" constitutes the redevelopment plan for the subject area and is available for review at the Department of Housing and Economic Development, City Hall, Room 1003, 121 North LaSalle Street, Chicago, Illinois 60602, on business days between the hours of 9:00 a.m. and 4:00 p.m. Please contact Lisa Washington at 312/744-4476 to arrange an appointment to review the redevelopment plan.

Marina Carrott, Chair
Community Development Commission